

ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Letter to Small Business Administration

FROM:

Henry P. Mahoney
Director of Logistics

EXTENSION

NO.

85-129411

DATE

7 May 1985

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S
INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. ED/DDA
7D18 Hqs

8 MAY 1985

ZM

This has been coordinated
with OGC/LORD

2. ADDA

9 MAY 1985

J

3. OOA

9 MAY 1985

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DDA REGISTRY

45-1

PRIORITYForm No. 160
1 Dec 80 Use Previous Editions

(13)

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TRANSMITTAL SLIP		DATE
TO: DDA		
ROOM NO. 7D18	BUILDING Hqs	
REMARKS:		
FROM: D/L		
ROOM NO.	BUILDING	EXTENSION

FORM NO. 241
1 FEB 55

REPLACES FORM 36-8
WHICH MAY BE USED

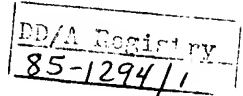
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Central Intelligence Agency



Washington, D.C. 20505



9 MAY 1985

The Honorable James C. Sanders
Administrator
U.S. Small Business Administration
Washington, D.C. 20416

Dear Mr. Sanders:

This is in reply to your letter to the Director of Central Intelligence, dated 3 April 1985, wherein you inquired about the CIA's compliance with the provisions of 15 U.S.C. 644(k).

In recognition of the crucial mission of the Central Intelligence Agency, the Congress provided very broad authority and mandated the protection of Agency activities and sources.

The Agency's unique procurement requirements were recognized in sections 3 and 8 of the CIA Act of 1949, as amended (50 U.S.C. 403c and 403j). Further, section 40 U.S.C. 474(17) of the Federal Property and Administration Service Act of 1949, provides that "Nothing in the act shall impair or affect any authority-- ...(17) of the Central Intelligence Agency."

As I am sure you can appreciate, the Agency procurement activities are closely integrated into the fabric of Agency missions, sources of intelligence, and clandestine personnel. Governmental programs which would operate effectively in other government agencies may impose severe mission constraints on our activities and, more importantly, may lead to the disclosure of classified information or information relating to intelligence sources and methods.

Congress demonstrated their sensitivity to the problem by enacting an exemption from the disclosure of organizational information (50 U.S.C. 403g), and further mandated that the Director of Central Intelligence shall be responsible for protecting intelligence sources and methods from unauthorized disclosure (50 U.S.C. 403(d)(3)). The Supreme Court of the United States in Central Intelligence Agency v. Sims, No. 83-1075 (U.S. S. Ct., April 16, 1985), has recently upheld this broad grant of authority.

OL 5034-85



The Honorable James C. Sanders

This same rationale applies with equal force to much of the goods and services acquired through the Agency's procurement system. Even those seemingly innocuous acquisitions have the potential of incrementally degrading the Agency's security posture.

Our unique procurement requirements and procedures have been reviewed and accepted by various Congressional committees, including our Intelligence Oversight Committee.

While we do not have formal assets within our procurement organization whose principal task is directed towards Small and Disadvantaged Business Utilization, I must hasten to add that we are committed to the spirit of small and disadvantaged business legislation and have many activities in progress. CIA will continue what I believe is an excellent record of contracting with small business under the constraint within which we operate.

While I regret we cannot formally implement policies of the Administration on small and disadvantaged business, I wish to assure you that we will continue to apply the spirit of the act.

We appreciate your inquiry, and wish the U.S. Small Business Administration the very best in its future endeavors.

Sincerely,

/s/ Harry E. Fitzwater

Harry E. Fitzwater
Deputy Director
for
Administration

STAT OL/PMS (7MAY85)

Distribution:

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1 - C/L&PLD/OGC
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ROUTING AND TRANSMITTAL SLIP

Date 4/10/85 V

TO: (Name, office symbol, room number, building, Agency/Post)	Initials	Date
1. D/LOGISTICS		
2.		
3.		
4.		
5.		
Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

REMARKS

#1 - FOR ACTION

(PLS PREPARE RESPONSE FOR THE DDA'S SIGNATURE WITH A DROP COPY TO ER.)

*Irish requested extension
I advised ER and okay per Carol
unless we hear*

SUSPENSE:

COB 16 APRIL 1985

*otherwise.**be**15 Apr*

*Irish oking
on 5/3/85
will advise*

*called Irish
again 5/7/85 -*

*they are
working on*

EXECUTIVE SECRETARIAT
ROUTING SLIP

TO:		ACTION	INFO	DATE	INITIAL
1	DCI		X		
2	DDCI		X		
3	EXDIR		X		
4	D/ICS				
5	DDI				
6	DDA	X			
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/Pers				
14	D/OLL				
15	D/PAO				
16	SA/IA				
17	AO/DCI				
18	C/IPD/OIS				
19	NIO				
20					
21					
22					
SUSPENSE				15 May (5/7)	
				17 APR 85	

Remarks

To #6: Please prepare response (if determined direct response best, please provide copy to ER).

Executive Secretary
10 Apr 85

Date

DO NOT use this form as a RECORD of approvals, concurrences, disposals, clearances, and similar actions

FROM: (Name, office symbol, room number, building, Agency/Post)	Room No.—Bldg.
EO/DDA 7D18 HQS	
	Phone No.

5041-102

OPTIONAL FORM 41 (Rev. 7-76)
Prescribed by GSA
FPMR (41 CFR) 101-11.206

☆ GPO : 1983 0 - 381-529 (301)

3637 (10-81)



OFFICE OF THE ADMINISTRATOR

U.S. SMALL BUSINESS ADMINISTRATION
WASHINGTON, D.C. 20416



Executive Registry

85- 1169

DD/A Registry

85-1294

APR 3 1985

Honorable William J. Casey
Director
Central Intelligence Agency
Washington, D.C. 20505

Dear Mr. Casey:

We have learned that the CIA does not have an Office of Small and Disadvantaged Business Utilization (OSDBU). As the Government's advocate for small business, the Small Business Administration (SBA) is hopeful that your agency will soon establish such an office.

Section 221(k) of Public Law 95-507 (15 U.S.C. 644(k)) requires each Federal agency having procurement powers to establish an Office of Small and Disadvantaged Business Utilization, to be managed by a "director" who is appointed by the agency head and is responsible only to, and reports directly to, the agency head or deputy.

The director is responsible for the implementation and execution of functions, set forth in Section 211 of Public Law 95-507 (15 U.S.C. 637), to further opportunities for small and small disadvantaged business concerns to participate in the performance of contracts and subcontracts with Federal agencies. The director is also responsible for cooperating and consulting on a regular basis with SBA in carrying out these functions. SBA is authorized to assist Federal agencies in complying with their responsibilities under this Act.

In anticipation of your establishing an Office of Small and Disadvantaged Business Utilization, we are offering our full support. After you have designated an OSDBU director, we would appreciate your notifying us of your choice so that we can establish and maintain contact with that individual in carrying out our mutual responsibilities in the procurement area.

We look forward to hearing from you in the near future regarding this important matter.

Yours truly,

James C. Sanders
James C. Sanders
Administrator